



DONALD L. WOLFE, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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February 13, 2006

IN REPLY PLEASE **PD-1**
REFER TO FILE:

TO: Each Supervisor

FROM: Donald L. Wolfe
Director of Public Works

ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY REGULAR BOARD MEETING-JANUARY 23, 2006

On January 23, 2006, my staff attended the regular Board meeting of the Alameda Corridor-East Construction Authority. A copy of the agenda and the adopted minutes of the December 19, 2005, meeting are attached. The following items were discussed at the meeting, which are of interest to the County.

Agenda Item VI—The Chief Executive Officer reported on the proposed State Transportation Budget for Fiscal Year 2006-07 which includes funding for Proposition 42 (\$1.4 billion) and the repayment of \$920 million of the previously borrowed Proposition 42 revenues.

In addition, he provided a monthly progress report on activities related to the following projects:

- **Sunset Avenue Grade Separation Project:** Right-of-way acquisition process and utility relocation coordination with agencies are in progress. The project was advertised for construction bids and the bid opening date was January 19, 2006. Staff is currently evaluating the bids received.
- **Brea Canyon Road Grade Separation Project:** Right-of-way acquisition process and utilities relocation coordination are in progress. The project was advertised for construction bids and the bid opening date is scheduled for February 23, 2006.
- **Nogales Street Grade Separation (LA Subdivision) Project:** The project is currently in the design phase. The design responsibilities were transferred to Public Works in October 2005. Public Works will complete the design plans and manage the construction of the project.

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Agenda Item IX—The Board adopted staff's recommendation to take "Support-Work with Author" position on the following State legislation:

- A. SB1024 (Perata)-Safe Facilities, Improved Mobility and Clean Air Bond Act.
- B. AB1783 (Nunez)-California Infrastructure Improvement, Smart Growth, Economic Reinvestment, and Emergency Preparedness Financing Act of 2006.
- C. AB1838 (Oropeza) and SB 1165 (Dufton)-Governor's Strategic Growth Plan.

The next meeting of the Board will be held on February 27, 2006, at 2 p.m., at the Irwindale City Hall Council Chambers.

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Attach.

cc: Chief Administrative Office
Executive Office



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

REGULAR MEETING AGENDA Monday, January 23, 2006 – 2:00 P.M. Irwindale City Hall – Council Chambers 5050 Irwindale Avenue Irwindale, CA 91706

Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three-minute time limit on individual remarks at the beginning of the discussion.

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|-------|--|-----------------|
| I. | Roll Call and Introductions | |
| II. | Pledge of Allegiance | |
| III. | Approval of Minutes of Regular Meeting of December 19, 2005 (Pages 1-5) | Action |
| IV. | Public Comment | |
| V. | Chairman's Remarks | Information |
| VI. | Chief Executive Officer's Report (Pages 6-29) | Information |
| VII. | Election of Officers | Action |
| VIII. | Hearing on Amendment to Resolution of Necessity for Reservoir Grade Separation Project in the City of Pomona (Pages 30-36)
Resolution No. 01-06 100-150 Reservoir Street, Pomona, CA 91766 | Action |
| IX. | Approval of Support Positions on State Transportation Funding Legislation (Pages 37-40) <ul style="list-style-type: none">• AB 1838 (Orpeza) and SB 1165 (Dutton)• SB 1024 (Perata and Torlakson)• AB 1783 (Nunez) | Action |
| X. | Financial Status Reports (Pages 41-45) | Information |
| XI. | Quarterly Report (Pages 46-64) | Information |
| XII. | Closed Session: The Board will adjourn to closed session in accordance with Government Code 54956.8 to discuss real property negotiations:
Property Address: 650 Brea Canyon Road, Diamond Bar, CA & 21015
Washington Street, Diamond Bar, CA
Agency Negotiators: Mark Mendoza, Paragon Partners/Joe Montes, Burke Williams & Sorensen, LLP
Negotiating Parties: ACE Construction Authority and Glenn A. Kennedy et. al.
Matters Under Negotiation: Price and Terms | Possible Action |
| XIII. | Adjournment | Action |

The ACE Construction Authority is currently constituted of seven (7) member jurisdiction; the Cities of El Monte, Industry, Montebello, San Gabriel and Pomona, the County of Los Angeles and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex-officio Board member.

Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, all of which shall require five (5) votes.



**ACE Construction Authority
Regular Board Meeting
December 19, 2005
Minutes**

The Chair called the meeting to order at the Irwindale City Hall at 2:07 PM.

1. In attendance were:

Ernest Gutierrez, Chair
Harry Baldwin, San Gabriel
Phil Marcellin, Industry
Gloria Molina, County of LA
Carol Herrera, SGVCOG
Paul Eaton, Ex Officio, SANBAG

Staff

Rick Richmond, Chief Executive Officer
Joe Silvey, Legal Counsel
Sharon Neely, staff
Bruce Armistead, staff
Deanna Stanley, staff
Girish Roy, staff
Lou Cluster, staff
Chip Conway, staff

Guests

Donna Lee, Southern California Edison

2. Pledge of Allegiance

Board Member Herrera led the pledge of allegiance.

3. Approval of Regular Meeting minutes of October 25, 2005.

A motion was made to approve the meeting minutes of October 25, 2005.

M/S/C: Herrera/Marcellin/ Baldwin abstained/passed

4. Public Comments

There were no public comments.

5. Chairman's Remarks

Chairman Gutierrez welcomed Supervisor Molina back as member of the Board. He congratulated staff for the success of the dedication ceremony held on December 5th. The Nogales Street grade separation was dedicated to the late City of Industry Councilman Jack Phillips, an ACE Board member and councilman of the City of Industry.

Chairman Gutierrez referenced a memo distributed to members regarding

legislative meetings and a reception in Washington, DC in March. He indicated if anyone interested in attending they should contact Mr. Richmond.

6. Chief Executive Officer's Report

Mr. Richmond referenced his report beginning on page 6 of the agenda and reviewed contract activities. He indicated a contract was issued to Interior Demolition Inc. under his authority for the demolition of a structure for pre-construction activities of the Brea Canyon grade separation project. He reported that the City of Montebello was expected to appoint a member and alternate to the ACE Board at an upcoming council meeting. He summarized his report regarding an MTA recommendation to reallocate \$68.7 million of previously approved \$85 million by the MTA to ACE. He indicated the MTA Board approved this recommendation at their December 15 meeting and the funds will allow the Baldwin Avenue project to move forward. He thanked member Molina for her support.

Bruce Armistead reviewed construction photos of East End Avenue and Reservoir Street grade separation projects. He also reviewed Temple Avenue train diversion photos. Lou Cluster reviewed progress photos of the Ramona Blvd. grade separation project.

7. Approval of 2006 Meeting Dates, Times and Location

Mr. Richmond indicated staffs desire to continue the same meeting schedule, time and location as present. He indicated meetings were typically held on the fourth Monday of each month except in December due to the holiday.

A motion was made to approve the Board meeting schedule for 2006.
M/S/C:Baldwin/Herrera/Unanimous

8. Presentation of Financial Management System

Chip Conway, Finance Manager presented the Authority's financial management system. The presentation summarized funding, budgeting, spending, billing, audits and treasury. Funds available totaled \$464.8 million from federal, state, local and other sources. Mr. Conway indicated the process of allocating funds to the project was based on cost changes, funding uncertainties and a tight funding plan. He indicated project budgets, monitored by phase were and would continue to be reported to the Board quarterly. He indicated annual budgets were comprised of two components, direct and indirect costs. Direct costs were based on expected spending for the year and indirect costs calculated as agency costs as a percentage of total fiscal year spending. He reviewed the processes of invoice approval, accounts payable and billing. Mr. Conway reviewed the financial audits conducted by Caltrans, MTA and a board-approved contracted auditor. He indicated that over 100 contract audits have been completed with minor findings.

He reviewed cash flow financing and investment. Member Herrera asked for clarification of the check signing policy of the Authority. Staff reported that checks over \$5,000 require two signers. There were no other questions.

9. Approval to Request to Reallocate TCRP Funds to City of Pico Rivera

Mr. Richmond reviewed the background of the 2001 TCRP application. He indicated in 2000 \$150 million of TCRP funds was available as a result of AB2928. The COG applied for \$19.7 million for the Cities of Pico Rivera and Santa Fe Springs for engineering of Passons Blvd grade separation in Pico Rivera and construction of the Valley View grade separation in Santa Fe Springs. Since the approval, both cities have found alternative funding for engineering and construction of each. Also during this period Caltrans withheld \$8.7 of previously earmarked federal ACE funding for currently active projects. Staff has been actively pursuing solutions with both Caltrans and the MTA to restore funding not withstanding the option of seeking a portion of the \$19.7 million previously approved for the other projects to make ACE whole. Both Cities have requested ACE request approval from the COG to reallocate funds to their projects for land acquisition and construction of the Passons Blvd. project. Staff recommended approving the Cities' request.

A motion was made to recommend to the San Gabriel Valley Council of Governments approval of the requests from the Cities of Santa Fe Springs and Pico Rivera to reallocate a total of \$19.7 million approved TCRP funding to land acquisition and construction of the Passons Blvd. grade separation project in the City of Pico Rivera.

M/S/C/Molina/Marcellin/Unanimous

10. Sale of Surplus Nogales Street Property

Mr. Richmond reminded the Board that this was for information only. He indicated that with the completed grade separation at Nogales and Valley the approximate 5 acres of excess property is now available for disposal. Mr. Richmond indicated the primary objective was to get fair market value and realize proceeds at the earliest possible date. He indicated that in accordance with state law notice was sent to prospective priority buyers if the property were used for open space/recreation, schools or low to moderate income housing. He indicated there were two responses, one from the City of West Covina and the other from a certified housing sponsor. We are awaiting proposals from each. The City has an obligation to proceed through the normal approval process including planning, zoning and permits.

11. Approval of Construction Management Services Contract Amendment with Lim & Nascimento for Brea Canyon Road Project

Mr. Richmond reviewed the background of the procurement of construction

management services. He indicated Lim & Nascimento was selected to provide construction services for up to four grade separations by way of task orders. He reminded the Board that LAN provided these services for the Nogales Street and Ramona Blvd grade separations. He summarized the scope of services which includes managing construction progress, safety, materials testing/inspection, coordination with agencies, constructability analysis, changes/claims administration and contract close out.

A motion was made to authorize the Chief Executive Officer to execute task order #3 for construction management services for the Brea Canyon Road separation project with Lim and Nascimento Engineering Corporation in the amount of \$3,368,971.

M/S/C: Baldwin/Molina/Unanimous

12. Approval of Close out of Safety Improvement Design and Construction Management Contracts

Mr. Richmond reported that the safety improvement program was complete. The design contracts with Transtech Engineers, Inc., Advanced Applied Engineering, Inc., and Kimley Horn and construction management services contract with CBM Consulting, Inc. have been accepted as satisfactorily complete. He reviewed the initial contract value and final contract of each contract. He also reported that the total change order experience for the safety program was 1.9%.

A motion was made to accept the following services contracts for the rail safety program as being satisfactorily complete: Transtech Engineers, Inc. with a final contract value of \$1,130,377.45; Advanced Applied Engineering, Inc. with a final contract value of \$1,067,498.84; Kimley-Horn with a final contract value of \$368,508.65 and CBM Consulting, Inc. with a final contract value of \$2,537,928.38.

M/S/C/Marcellin/Herrera/Unanimous

13. Presentation on Goods Movement Study

Mr. Richmond reviewed projected Los Angeles/Long Beach container and truck traffic growth and projected peak train volumes. He discussed proposed container fees used to finance congestion relief. He reviewed the goals of the Governor's Goods Movement Action Plan. He reported the plan began in 2004 was expanded in early 2005 to address both trade related infrastructure needs and environmental mitigation. He reviewed Phase I of the report that included \$42.7 billion statewide for infrastructure with a comprehensive list of ports, highway and rail improvements. An estimated \$2-4 billion was included for air quality mitigation. He reported the next phase focused around: infrastructure, public health & environmental mitigation, community impact mitigation,

homeland security & public safety and innovative funding. He also reviewed the related legislation – SB 1024, SB 760 and Governor's infrastructure bond proposal.

14. Adjournment

Chairman Gutierrez wished the Board, staff and members of the public a Merry Christmas. The meeting was adjourned at 3:14PM.

M/S/C: Hunter/Herrera/Unanimous